

**Remarks by Mr Sumio Kusaka, Ambassador of Japan
Japan-U.S.-Australia relations and the Indo-Pacific Symposium
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Ladies and gentlemen, I am honoured to be here with so many distinguished guests, fellow colleagues, and friends.

This is my third visit to the Perth USAsia Centre in Western Australia, often regarded as being at the forefront of Australia's Indo-Pacific strategy as a result of its geographical location.

Today we are gathered here to talk about Japan-U.S.-Australia relations and the Indo-Pacific. This is a time of great excitement and growing anxiety. The “Indo-Pacific” has come to age, and just in time as well.

As many of you know, the term “Indo-Pacific” started here in Perth, with Foreign Minister Bishop championing the term. I know the Indo-Pacific concept has also been strongly promoted by Peter Varghese, former Secretary of DFAT.

In the case of Japan, in August 2016 in Nairobi, Kenya, Prime Minister Abe launched the “Free and Open Indo-Pacific Strategy”, emphasizing the need to keep the great maritime zone free and open as well as the need to respect the rule of law for every nation to benefit from as international public goods.

In the most recent Japan-Australia Summit Meeting held just last month in Tokyo, Prime Minister Abe and Prime Minister Turnbull reaffirmed their shared vision for the Indo-Pacific region in their Joint Press Statement.

The two leaders reaffirmed their commitment to strengthening cooperation and coordinating

efforts through bilateral, trilateral and minilateral partnerships with like-minded countries in order to realise a vision for a peaceful, stable and prosperous Indo-Pacific region.

So when President Trump articulated his views in November 2017 at the APEC Business Summit using the exact same term, “Indo-Pacific”, it demonstrated that Japan, Australia and now the US are all operating in unison regarding this concept.

In their meetings last week in Washington DC, Prime Minister Turnbull and President Trump committed to a free, open, prosperous and rules-based order in the Indo-Pacific by way of diplomacy & development assistance.

The concept of the Indo-Pacific has been underwritten by the Foreign Policy White Paper and by the new US Strategic and Defence Initiative. And while all this has been transpiring, the Quad has been revived, including India. So where do we go from here?

We are obliged to ask ourselves exactly this question, and to hammer out tangible ideas, and use persuasive reasoning and methods to achieve a free and open Indo-Pacific for the future, and we must do so fast.

Our task, to put it briefly, is to “find a vision for a bright future based on a free, open and rules-based international order and implement it”.

We have to paint an encouraging picture and present hope in the form of a vision for the future. This is what we want to do with the “Free and Open Indo-Pacific Concept”

Currently, we are already being asked questions such as:

What’s in it for ASEAN?;

Is it just about security?;

Is it going to deliver any infrastructure development?;

Does it only concern the sea, and not land? How does it work?

To be frank, I don't think all is set in stone yet, and I don't think anyone has all the answers. This is an evolving concept that will be meshed out going forward in the course of our discussions, including today, and including intense and deep discussions among the like-minded.

This is because the concept is not one that was generated by 1 country alone, and is not an idea that is meant to be imposed on others. It is rather a broad concept that is meant to be explored, developed and embraced by our fellow countries in the region as a whole.

We, the like-minded countries US, Japan and Australia, are working closely together to organise and coordinate a vision for a bright future. Together with others in the region, including India, this vision is based on freedom and the rule of law.

In this regard, I was very pleased to note that India has held its first summit with ASEAN in January, which will be followed by the AUS-ASEAN Special Summit in March, and the US-ASEAN SOM in April. This way, ASEAN is fully involved as an indispensable partner.

I trust all such dialogues will contribute to fully forging the Indo-Pacific Concept. At its core, the Free & Open Indo-Pacific Concept is about how we achieve prosperity and how we share prosperity in a peaceful international environment based on the rule of law.

And it is not only about security, but also economic prosperity, and most importantly the rule of law. So how exactly will this be achieved?

I think a good example can be found in the recent feat of the TPP11. I must say that this was a ground-breaking achievement, in that Japan and Australia, against all odds, and defying the critics, salvaged a once dispirited group to get back on its legs.

The TPP11, as it is, will regulate and put in place more high level rules and demand more rigorous standards which will benefit the way we do business amongst ourselves in the Asia-Pacific.

The most significant point, however, in relation to the “Free and Open Indo-Pacific concept” is that once it is signed, ratified and put into effect, it will remain open to any country willing to join. So the TPP will keep expanding in its scope.

It is a system open to all, and sets out a clear set of rules on how we will further prosper and how we will share the dividends. As such, the TPP is a perfect match for the Free & Open & Prosperous Indo-Pacific Concept.

I have high hopes that it may lead in the future to being a credible pathway, together with the RCEP, towards an FTAAP, or a comprehensive free trade agreement in the Asia-Pacific.

Countries such as the Republic of Korea, Indonesia and Thailand may wish to join the TPP, and if China is to join in the future, that too is welcome as enlargement of the TPP does bring the expansion of highly liberalised trade and investment area.

Thus, the best part of the TPP is that it is a strong, positive narrative, open to all, so long as they agree to the high standards, which benefit everyone in the region.

This is extremely important, as we need to have the combination of a convincing narrative and tangible idea in order to bring about real benefits to the region.

(This is in sharp contrast, to some episodes in our region in which these states are receiving development aid or loans at an unsustainable level of debt. In some cases, this has led to reluctantly relinquishing an important asset to the creditor.)

As an alternative, Japan believes that the following points should frame the thinking of the international community.

First, we believe it is critical for infrastructure, especially international ports, to be open to use by all, and to be developed through procurement and management processes that are transparent and fair.

Second, we, meaning Japan and other like-minded countries, believe it essential for infrastructure projects to be financed by repayable debt that does not harm the fiscal soundness of the debtor nations.

With that in mind, Japan will continue its efforts to develop and promote international standards for "quality infrastructure" under such institutions as G20, APEC and OECD, in close cooperation with Australia and other like-minded countries.

We should continue to combine our efforts and advocate more strongly such standards to become the global norm.

At the same time, we cannot deny that there is a huge demand for infrastructure in our region. I believe that the Asian Development Bank has recently said that Asia needs around USD 1.7 trillion in infrastructure investment per year until 2030, which is a staggering amount.

However, as I have stressed, when such infrastructure is developed, it is imperative that it meets appropriate standards of quality, and actually benefits both the countries in which the assets are located and the wider region.

The regional need for infrastructure presents an enormous opportunity for countries such as Japan, Australia and the United States to work together to capitalise on our relative strengths and contribute to enhance connectivity in the Indo Pacific region.

In this respect, I am happy to report that solid progress is being made on a variety of fronts. Infrastructure cooperation is one of the pillars of the bilateral economic dialogue between Japan and the U.S., and during his very recent trip to the U.S., Prime Minister Turnbull called for Australian and U.S. infrastructure companies to work together in places like Southeast Asia and the Pacific Islands.

I can add to this that Japan and Australia are also actively investigating opportunities to strengthen connectivity with Pacific Islands and other areas of our region through quality infrastructure projects, in cooperation with other like-minded countries and multilateral development banks such as the ADB. So I look forward to seeing further synergies growing out of the respective efforts of our countries in the area of infrastructure moving forward.

As the US and Australia have expressed their intentions, Japan too is determined to promote this free & open Indo-Pacific strategy and advocate the rule of law.

We want Pacific Island countries to be an important part of this concept, and we want ASEAN countries to be at the core of this concept because ASEAN is located at the connection point between the two oceans.

This is part of the reason why Japan has engaged in many connectivity infrastructure projects in the Indo-Pacific, as well as donating coast guard vessels to countries including the Philippines, Malaysia, Vietnam and Indonesia.

Moreover, Australia and the U.S. are helping the Philippines fight ISIS in Marawi, and Australia is helping the Pacific Island countries in a wide range of ways.

We all want Pacific Island countries to be able to patrol and monitor illegal fishing in their EEZs, and we all want ASEAN countries to have more capability to patrol their waters and rid their waters of pirates and terrorists and protect their own sovereignty.

And we also want our fellow neighbours to have the capacity to be self-reliant. In short, we must fight for a free and open world. Spreading and sharing economic prosperity alone will not do the job.

We must insist that countries in the region respect the rule of law. We must insist that decisions by International courts are respected and honoured. And we must insist on demilitarization to keep sea lanes open and accessible to all.

And we would do better together, if all countries in the region had a freer position to voice their thoughts, without having to worry of pressure from others.

It goes without saying that in all such tangible assistance and deepening of relations with ASEAN or the Pacific Islands countries, US engagement and the US, Japan and Australia trilateral commitment is of critical importance to maintain the liberal international order in the Indo-Pacific.

At the same time, we need to be realistic about the not insignificant differences in our respective strengths. The U.S. is a major guarantor and central to international order, while Japan is good at filling gaps both in the realm of law enforcement capacity and infrastructure financing. Australia is the biggest supporter of its pacific neighbours through its aid and assistance programs.

It is with this background, and with a view to coordinate efforts and policies, that Japan and the U.S. are in consultation to complement each other's strengths. Japan and Australia will also be in close consultation including towards the PALM8, the 8th Pacific Leaders Meeting to be held in May in Japan.

In making the "Free and Open Indo-Pacific concept" a "viable alternative", US engagement in earnest is of absolute importance. I look forward very much to working with Admiral Harry Harris on his arrival as the US Ambassador to Australia.

I must also add that I have been greatly encouraged by our nascent engagement with India on the QUAD. I look forward to hearing from India, and its views for making the Free and Open Indo-Pacific Concept a "viable alternative".

After all, India is renowned for its fierce defence of independence, and is well on the way to becoming the most populous nation in the world, and has enjoyed economic growth of 7 % or higher for an extended period of time.

Most importantly, India is a country that strongly believes in the importance of a free and open Indo-Pacific and it is a country that can support translate this into reality.

And on its doorstep of the Indian Ocean, we are seeing many of the same problematic traits that we see in the South Pacific, such an unsustainable level of debt, and some ports are put under less open management, possibly including military use of one country.

Japan is already heavily engaged with India on a bilateral basis. We also enjoy engagement

with India in the Japan-Australia-India trilateral Secretary Level talks, for which the then Secretary of DFAT, Peter Varghese here played a significant role, and through our Japan-U.S.-India Ministerial talks. India is clearly becoming a fully-fledged partner to the democracies of the region, and is a key part of ensuring peace and stability in the Indian Ocean region.

Now I hope that I have said enough, and I look forward to hear of many inspiring thoughts and ideas throughout the conference. I wish the conference every success. After all, what we want to see is a healthy development and growth of the Indo-Pacific region for all.

The Free and Open Indo-Pacific is an unprecedentedly enormous concept embraced, developed and promoted by an unprecedentedly huge group of countries which is spearheaded, but not limited to, the US, Japan, Australia and India.

Thank you.